Mahlstedt, 67 App. Div. 176, 73 N. Y. Supp. 818 (aff'd, 171 N. Y. 652, 63 N. E. 1119). Whatever line of reasoning be adopted, the principal case reaches a result which seems essential in order to prevent wholesale evasions of the tax.

TRUSTS — POWERS AND OBLIGATIONS OF TRUSTEE — INVESTMENT OF TRUST FUNDS IN PARTICIPATING MORTGAGE IN TRUSTEE'S NAME. — A trust company invested the funds of several unrelated trusts in one mortgage, which it took in its own name, without any indication of the trust. Accurate accounts of the shares contributed by the various funds were kept, the security was ample, and the company could liquidate the investment of any of the funds at any time. *Held*, that the participating mortgage in the name of the trustee is improper. *In re Union Trust Co. of New York*, 149 N. Y. Supp. 324 (Surr. Ct., King's County).

The case is clearly right in holding that the investment in the trustee's own name was improper. *Corya* v. *Corya*, 119 Ind. 593, 22 N. E. 3; *In re Arguello*, 97 Cal. 196, 31 Pac. 937. The court also fully appreciated the dangers inherent in the mingling of the funds of different trusts in participating mortgages, but felt constrained by authority to uphold that feature of the investment because of its practical advantages. See *Chesterman* v. *Eyland*, 81 N. Y. 398; *Barry* v. *Lambert*, 98 N. Y. 300; *Graver's Appeal*, 50 Pa. 189. The weight of authority, however, forbids the investment of trust moneys in contributing mortgages, which deprive the trustee of control of the fund, and involve the beneficiaries' rights with those of strangers. *Webb* v. *Jonas*, 39 Ch. D. 660. It has also been held improper for a trustee to invest the funds of several unrelated trusts in a common or participating mortgage. *McCullough's Executors* v. *McCullough*, 44 N. J. Eq. 313, 14 Atl. 642. On principle, this attitude appears correct, for while the trustee retains control of the whole security, as he does not in the case of a contributing mortgage, he is nevertheless subject to conflicting duties to the several *cestuis*. There is also the constant danger of complications from the appointment of a new trustee for some of the funds, so that the system on the whole, in spite of its advantages in a given case, does not seem to merit judicial approval.

WAR — PRIZE — CAPTURE OF VESSEL TRANSFERRED TO DOMESTIC CORPORATION COMPOSED OF ALIEN ENEMIES. — Two vessels of German registry, owned by a German company, while *en route* from Hamburg to London, were sold by telegraph on August 1 to an English corporation controlled by the stockholders of the German company. On August 5, the day after the declaration of war, the vessels arrived at an English port, still flying the German flag, and were there seized as prizes. In a suit for their detention, the English corporation put in a claim that the transfer of ownership invalidated the seizure. *Held*, that the claim should be dismissed. *The Tommi* and *The Rothersand*, 59 Sol. J. 26 (Prize Court).

It is settled that all transfers of ownership *in transitu* are void when made during or in contemplation of hostilities, in order to avoid capture. *The Jan Frederick*, 5 C. Rob. 128; see *The Ann Green*, 1 Gall. (U. S.) 274, 291. See also 28 HARV. L. REV. 188, 190. Moreover, the German registry and flag are conclusive against the claimant. *The Danckebaar Afrikaan*, 1 C. Rob. 107, 113. See Declaration of London, art. 57; 28 HARV. L. REV. 217. The court further suggests that in spite of the formal transfer, the vessels might still be considered as German-owned because the English corporation was in reality substantially identical with the German company. It is possible that the intimation of the court was broader, and meant to imply that prize law might disregard the corporate fiction wherever the shareholders were alien enemies. The point, however, has never been decided, probably because the seizure has